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TAGS: [PGOV](#) [PHUM](#) [ECON](#) [AJ](#) [IR](#)
SUBJECT: IRANIAN ELECTION: IRANIAN POLITICAL SOURCES REPORT
ON RAFSANJANI ACTIVITIES, SITUATION TUESDAY IN TEHRAN AND
KERMANSHAH

Classified By: Deputy Chief of Mission Donald Lu, for Reasons 1.4 (b) a
nd (d)

Summary

1. (S/NOFORN) Baku Iran watcher was in contact Tuesday night with four well-connected sources who shed light on the ongoing situation in Iran. Two sources were wealthy Baku-based Iranian businessmen with allegedly extensive contacts in Tehran including to Mousavi's circle. The other two are in Iran (Tehran and Kermanshah), and were contacted in Iran watcher's presence by a long standing Baku Iran watcher contact, who was formerly a prominent Azeri cultural activist and journalist in Tabriz, and subsequently a political prisoner. The two Iranian residents contacted (strictly protect) spoke freely and without urging. One, a leader of the Melli Mazhabi group friendly to Rafsanjani, shed light on the background of the current political struggle, and described a purported Rafsanjani-supported effort to "retire" the Supreme Leader and replace him with a "Council of Religious Elders." He also provided information on the current situation in Tehran, and expressed confidence that the situation will ultimately resolve itself in the Rafsanjani camp's favor. Another source claimed that both Mousavi and Khameini are being moved from house to house daily for security reasons. A source in Kermanshah reported that he city was completely shut down on Monday and Tuesday in response to a purported call from the Grand Ayatollah Montazeri that may be partially supported (as a quasi-curfew) by local authorities. End Summary.

Tehran Comments From Melli Mazhabi Figure

2. (S/NOFORN) Habib Yektah (strictly protect), described to Iran watcher as a good personal friend of Ayatollah Rafsanjani, spoke by land line from Tehran to an Iranian friend in Baku. Yektah is the brother of the former (1990,s) First Secretary of the Ministry of Heavy Industry (the number two position). He is also a deputy leader of the Melli Mazhabi (AKA the National Religious Alliance), a group of Islamic intellectuals and activists, formed in 2000 to lobby for greater liberalization and secularization within the current system. He was imprisoned briefly for his Melli Mazhabi activities, and reportedly has many relatives in the United States. Yektah, who lives near Vanak Square, said that most bazaars in Tehran are only open in the morning (some for only two hours); the main bazaar closes in the afternoon. Many shops in North Tehran are closed, or open for part of the day. He said that security is extremely

heavy throughout Tehran: "Revolutionary Guards have moved into the city," but without heavy arms (though he claimed that some armored units are outside Tehran).

13. (S/NOFORN) According to Yektah, security personnel are not tolerating groups of five or more gathered together on the street, and are out in force in front of metro stations in order to block/disperse people who seem to be moving in groups. He added that security fears as much or more than "protest" are contributing to the early bazaar closures, as "the security forces themselves don't want too many people to gather in the bazaars" and other shopping areas. He added that there were shootings in the bazaar areas as recently as Monday.

14. (S/NOFORN) Yektah also said that, although no general strike has been called, large numbers of office workers are not going to work, perhaps due to personal security concerns. He said that key government ministries are operating, though possibly with reduced staff. All universities are closed, and many private companies and factories in Tehran are effectively closed, he claimed. (Note: a Baku-based Iranian source separately confirmed Tuesday night that many Tehranis are not working, "though no one has told them to strike." End Note). While confirming that the number of protesters on the streets has declined significantly, Yektah stressed that protests are still continuing, including shouts of "Allah Akbar" every night from rooftops. He said that public anger continues to run deep, and is not confined to North Tehran. Many people in other parts of Tehran and in rural areas are also angry, and will "never" accept the election results, he

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said.

Rafsanjani's Activities

15. (S/NOFORN) Yektah claimed that he is in touch with Rafsanjani's circle. He said that Rafsanjani and his allies are behind an effort to replace Supreme Leader Khomeini with a Council ("Shura") of elders. He noted that there are rumors that Khomeini has cancer, and said Khomeini may be officially replaced "for health reasons," as a face-saving measure. Yektah also repeated assertions that Rafsanjani has obtained commitments from at least 40 members of the Council of Experts with regards to this strategy. He said that the "power struggle is continuing," and bet on Rafsanjani getting most of what he wants. (Comment: an outcome that would personally benefit Yektah, according to a Baku source. End Comment).

Background to the Power Struggle

16. (S/NOFORN) According to Yektah, the background behind the current struggle and internal split is based on the issue of "who will succeed Khomeini," (especially pertinent if he really has cancer, he noted). He commented that the election of Mousavi would make it obvious that the Khomeini-Ahmadinejad faction and its allies would not be able to retain the Supreme Leadership after Khomeini's departure, and that the position would likely go to a strong opponent of their interests, and them personally. They saw their political position steadily weakening vis-a-vis Rafsanjani and others, and the "election coup" was their blocking maneuver, Yektah claimed.

17. (S/NOFORN) Yektah said that the political maneuverings are continuing, and should not be judged only by what is happening on the streets of Tehran. That being said, he predicted that protest activities will continue, and may be ratcheted up in the future. He asserted confidently that the people will not be able to go back to things as they were before the election, and predicted that in the end the Rafsanjani/reform faction will prevail.

¶18. (S/NOFORN) A wealthy Iranian energy sector figure well known to Baku Iran watcher has been in touch recently with friends and relatives in Tehran, Mashad, and Isfahan, including (he claims) individuals in Tehran knowledgeable about Mousavi's activities and plans (Note: This source is a close friend of Enayatollah Aghaei, described as a top Mousavi campaign aide arrested last week. Aghaei reportedly stood near Mousavi during the latter's appearance at the initial Tehran protest rally. End Note).

¶19. (S/NOFORN) The Baku contact said that the Mousavi camp has not called for any bazaar closings or general strikes yet. He said that "these bullets are being held back," until needed in response to an arrest of Mousavi, or to further ratchet up pressure. He claimed that contingency plans are being made to launch strikes, including at the Isfahan steel works and other key facilities. He reported that protesters have been attempting to gather nightly at the Imam Reza Shrine in Mashad every night, but are dispersed. He also relayed reports of continued "bloody" repression in Kermanshah on Sunday (see paragraph eleven below).

Impact of Bazaar Closings - Only Symbolic?

¶10. (S/NOFORN) Another wealthy Iranian, an international businessman, relayed information that Khomeini has again ordered that transportation be organized to bring people from rural areas to the large Tehran mosques on Friday. This source, who is very familiar with Iranian market distribution systems, cautioned that "bazaars in Iran are not what they were thirty years ago" in terms of economic importance. New distribution systems involving thousands of trucks now exist that support small neighborhood markets in lieu of bazaars. In his view, bazaar closings today would likely be more important in terms of political symbolism than economic

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impact.

Situation in Kermanshah

¶11. (S/NOFORN) An Iranian Kurdish women's rights activist in Kermanshah reported Tuesday night that all bazaars in Kermanshah, all shops, and even some government offices are closed. She explained that people are reacting to a call from Grand Ayatollah Montazeri instructing people "to stay in your homes, don't work and don't go anywhere" for three days, beginning Monday, June 22. The three day quiet period is supposed to be in honor of those who have died in the recent protests. She noted that Kermanshah has witnessed several days of bloody protests, and that she herself witnessed two people being shot down in the streets on Saturday. According to this source, even some local media has reported the Grand Ayatollah's call for people to stay home. (Note: Perhaps this is regarded as a desirable, de facto curfew by the authorities. End Comment).

¶12. (S/NOFORN) According to the source, people believe that Ayatollah Montazeri has declared working for or supporting the Ahmadinejad government as "very bad," but has not called it "haram" (forbidden). She contrasted this with the Ayatollah Sanei, whom she claimed told his followers three days ago that working for the Ahmadinejad regime is "haram." She concluded by commenting that "people have never seen anything like this," (the power struggle and the protests), and opined that Iranians will no longer accept the current system without important changes.

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